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ANNO TRICESIMO-QUINTO.

VICTORIÆ REGINÆ.

CAP. LXXI.

An Act respecting the Canadian Pacific Railway.

[Assented to 14th June, 1872.]

WHEREAS by the terms and conditions of the admission of Preamble.

British Columbia into union with the Dominion of Canada, set forth and embodied in an address to Her Majesty, adopted by the Legislative Council of that Colony, in January, 1871, under the provisions of the one hundred and forty-sixth section of "The British North America Act, 1867," and laid before both the Houses of the Parliament of Canada by His Excellency the Governor General during the now last session thereof, and recited, and concurred in by the Senate and House of Commons of Canada during the said session, and embodied in addresses of the said Houses to Her Majesty under the said section of the *British North America Act*, and approved by Her Majesty and embodied in the Order in Council admitting British Columbia into the union under the said Act, as part of the Dominion of Canada, from the twentieth day of July, 1871,—it is among other things provided, that the Government of the Dominion undertake to secure the commencement simultaneously within two years from the date of the union, of the construction of a railway from the Pacific towards the Rocky Mountains, and from such point as may be selected, east of the Rocky Mountains towards the Pacific, to connect the seaboard of British Columbia with the railway system of Canada; and further, to secure the completion of such Railway within ten years from the date of the union;—The Government of British Columbia agreeing to convey to the Dominion Government in trust, to be appropriated in such manner as the Dominion Government may deem advisable in furtherance of the construction of the said railway, a similar extent of public lands along the line of railway for its entire length in British Columbia, not to exceed twenty miles on each side of the said line, as may be

Recital:
Agreement
with British
Columbia as
to Pacific
Railway.

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Resolution of
House of
Commons.

appropriated for the same purpose by the Dominion Government from the public lands in the North West Territories and the Province of Manitoba, subject to certain conditions for making good to the Dominion Government from contiguous lands, any lands within the said limits which may be held under preemption right or Crown grant, and for restraining the sale or alienation by the Government of British Columbia, during the said two years, of lands within the said limits;—And whereas, the House of Commons of Canada resolved during the said now last session, that the said railway should be constructed and worked by private enterprise and not by the Dominion Government; and that the public aid to be given to secure that undertaking, should consist of such liberal grants of land, and such subsidy in money, or other aid, not increasing the present rate of taxation, as the Parliament of Canada should thereafter determine; and it is expedient to make provision for carrying out the said agreement and resolution: Therefore Her Majesty, by and with the advice of the Senate and House of Commons of Canada, enacts as follows:—

Canadian
Pacific Rail-
way. Name,
course and
line.

1. A railway to be called "The Canadian Pacific Railway" shall be made in conformity with the agreement referred to in the preamble to this Act, and such railway shall extend from some point on or near Lake Nipissing and on the south shore thereof, to some point on the shore of the Pacific Ocean, both the said points to be determined by the Governor in Council, and the course and line of the said railway between the said points to be subject to the approval of the Governor in Council.

How to be
made and
worked.

Capital of
company.

Time limited
for construc-
tion.

Proviso:
deposit of ten
per cent of
capital.

2. The whole line of the said railway shall be made and worked by private enterprise, and not by the Dominion Government, and by one company having a subscribed capital of at least ten million dollars, and approved of and agreed with by the Governor in Council in the manner hereinafter mentioned, and shall be *bona fide* commenced within two years from the twentieth day of July, one thousand eight hundred and seventy-one, and completed within ten years from the said day; and subject to the said provision as to commencement and completion, the company shall further be bound to commence and complete at such time or times as the Government may prescribe, any portion or portions of the railway lying between points on the line thereof to be defined in the Order or Orders in Council to be made from time to time in that behalf: Provided always that ten per cent. of the capital of the company shall be paid up and deposited in money or Government securities, in the hands of the Receiver General of Canada, before any agreement is concluded between the Government and the company, and shall remain in his hands until otherwise ordered by Parliament; but if after the payment into the hands of the Receiver General by any company of the said deposit, such contract should not be finally executed, the Governor in Council shall order the said deposit to be returned.

Land grant.

3. The land grant to be made to the company constructing and working the said railway, to secure the construction of the same,

and in consideration thereof, shall not exceed in the whole fifty million acres; but subject to this limitation, it may, in the Provinces

Extent.

of Manitoba and British Columbia and the North West Territories, be equal to but shall not exceed what would be contained in blocks not exceeding twenty miles in depth on each side of the said railway, alternating with other blocks of like depth on each side thereof to be reserved by and for the Dominion Government, for the purposes of this Act, and to be sold by it, and the proceeds thereof applied towards reimbursing the sums expended by the Dominion under this Act; and the lands to be granted to the company may be laid out and granted in such alternate blocks, in places remote from settlement and where the Governor in Council may be of opinion that such system is expedient, and to be designated in and by agreement between the Government and the company; but no such grant shall include any land then before granted to any other party, or on which any other party has any lawful claim of pre-emption or otherwise, or any land reserved for school purposes; and the deficiency arising from the exception of any such lands shall be made good to the company by the grant of an equal extent from other wild and ungranted Dominion lands:

Lands granted to be in alternate blocks.

Proviso.

Provided that, so far as may be practicable, none of such alternate blocks of land as aforesaid shall be less than six miles nor more than twelve miles in front on the railway, and the blocks shall be so laid out as that each block granted to the company on one side of the railway shall be opposite to another block of like width reserved for the Government on the other side of the railway:

Proviso: as to frontage on railway.

And provided further, that if the total quantity of land in the alternate blocks to be so granted to the company, should be less than fifty million acres, then the Government may, in its discretion, grant to the company such additional quantity of land elsewhere as will make up with such alternate blocks, a quantity not exceeding fifty million acres; and in the case of such additional grant, a quantity of land elsewhere equal to such additional grant shall be reserved and disposed of by the Government for the same purpose as the alternate blocks to be reserved as aforesaid by the Government on the line of the railway, and such additional lands granted to the company and reserved for the Government shall be laid out in alternate blocks on each side of a common front line or lines, in like manner as the blocks granted and reserved along the line of the railway: And the Governor in Council may, in his discretion, grant to the Company the right of way through any Dominion lands.

Proviso: if alternate blocks granted do not amount to 50,000,000 acres.

Right of way.

In the Province of Ontario, the land grant to the company for the purposes aforesaid, shall be such as the Government of the Dominion may be enabled to make, under any arrangement with the Government of the Province of Ontario.

Lands in Ontario.

The lands to be granted to the company under this section, may be so granted from time to time as any portion of the railway is proceeded with in quantities proportionate to the length, difficulty of construction or expenditure upon such portion, to be

When and in what proportion lands may be granted.

determined in such manner as may be agreed upon by the Government and the company.

Subsidy in money to company.

Amount limited.

Loan authorized.

4. The subsidy or aid in money to be granted to the said company shall be such sum not exceeding thirty millions of dollars in the whole, as may be agreed upon between the Government and the company, such subsidy to be granted from time to time by instalments as any portion of the railway is proceeded with, in proportion to the length, difficulty of construction, and cost of such portion:—And the Governor in Council is hereby authorized to raise by loan in the manner by law provided such sum not exceeding thirty million dollars as may be required to pay the said subsidy.

Gauge of railway, grades, &c.

5. The gauge of the railway shall be four feet eight inches and a half, and the grades thereof, and the materials and manner of and in which the several works forming part thereof shall be constructed, and the mode of working the railway, including the description and capacity of the locomotive engines and other rolling stock for working it, shall be such as may be agreed on by the Government and the company.

Completion and working of sections of the railway.

6. The Government of Canada and the company may agree upon the periods within which any definite portion or portions of the railway shall be completed: and whenever any portion of the railway exceeding twenty miles is completed, the Governor in Council may require the company to work the same for the conveyance of passengers and goods at such times and in such manner as may have been agreed upon with the company or provided in their chart.

Transport of Her Majesty's officers, war material, &c.

7. Her Majesty's naval or military forces, and all artillery, ammunition, baggage, provisions or other stores for their use, and all officers and others travelling on Her Majesty's naval or military or other service and their baggage and stores, shall at all times, when the company shall be thereunto required by one of Her Majesty's Principal Secretaries of State, or by the Commander of Her Majesty's Forces in Canada, or by the Chief Naval Officer on the North American Station on the Atlantic, or the Valparaiso Station on the Pacific Ocean, be carried on the said railway on such terms and conditions, and under such regulations as the Governor in Council shall from time to time make, or as shall be agreed upon between the Government of Canada, and one of Her Majesty's Principal Secretaries of State.

Cost of survey made by Government to be part of subsidy.

8. The company shall allow as part of the subsidy aforesaid, the cost of the survey made in the years one thousand eight hundred and seventy-one and one thousand eight hundred and seventy-two, by the Government of Canada, for the purpose of ascertaining the best line for the said railway.

Government may agree with a com-

9. If there be any company incorporated by the Parliament of Canada with power to construct and work a railway from Lake

Nipissing to the Pacific Ocean, on a line approved by the Governor in Council under this Act,—then, if such Company have the amount of subscribed capital hereinbefore mentioned, and be in the opinion of the Governor in Council able to construct and work such railway in the manner and within the time hereinbefore prescribed, and there be no provision in their Act of incorporation preventing an agreement being made with and carried out by such company under this Act and in conformity with all the provisions thereof,—the Governor in Council may make such agreement with the company, and such agreement shall be held to be part and parcel of its Act of incorporation, as if embodied therein, and any part of such Act inconsistent with such agreement shall be null and void.

pany incorpo-
rated for the
construction of
the railway.

10. If there be two or more companies incorporated by the Parliament of Canada, each having power to construct and work a railway over the whole or some part of the line between Lake Nipissing and the Pacific Ocean approved by the Government, but such companies having together power to construct and work railways over the whole of such line, and having together a subscribed capital of at least ten million dollars,—then the directors of the several companies may at any time within one month after the passing of this Act, agree together that such companies shall be united and form one company, on such terms and conditions as they may think proper, not inconsistent with this Act; and such agreement shall fix the rights and liabilities of the shareholders after such union, the number of directors of the company after the union, and who shall be directors until the then next election, the period at which such election shall take place, the number of votes to which the shareholders of each company shall be respectively entitled after the union, and the provisions of their respective Acts of incorporation and by-laws, which shall apply to the united company; and generally such agreement may contain all such stipulations and provisions as may be deemed necessary for determining the rights of the respective companies and the shareholders thereof after the union.

If more than
one are so
incorporated.

Companies
may unite,
and in what
manner.

11. Whenever any agreement of amalgamation shall have been made under the next preceding section, the directors of each of the companies which it is to affect shall call a special meeting of the shareholders of the company they represent, in the manner provided for calling general meetings, stating specially that such meeting is called for the purpose of considering the said agreement and ratifying or disallowing the same; and if, at such meeting of each of the companies concerned, respectively, three-fourths or more of the votes of the shareholders attending the same, either in person or by proxy, be given for ratifying the said agreement, then it shall have full effect accordingly, as if all the terms and clauses thereof, not inconsistent with this Act, were contained in an Act of the Parliament of Canada: Provided that no such agreement shall have any effect unless it be ratified as aforesaid, within three months after the passing of this Act, and be also

Agreement to
unite to be
submitted to
shareholders
of respective
companies.

Proviso.

ratified and approved by the Governor in Council before either or any of the companies have commenced work upon its railway.

United companies to form one company.

12. From and after the ratification of the agreement for their union, the companies united shall be one company, and the subscribers and stockholders of each shall be deemed subscribers and stockholders of the company formed by the union, according to the terms of the agreement, which shall have force and effect, in so far as it is not inconsistent with this Act, or with law, as if embodied in an Act of the Parliament of Canada; and the corporate name of the company shall be such as provided by the agreement, subject to the provision hereinafter made.

Agreement may be made with company so formed.

13. The Government of Canada may in its discretion agree with the company so formed by the union of two or more companies, for the construction and working of the railway in accordance with this Act, in like manner as with a company originally incorporated for the construction of the whole line of the railway:—Provided that with whatever company such agreement is made, the name of such company shall thereafter be "The Canadian Pacific Railway Company," and the chief place of business of the company shall be in the City of Ottawa.

Corporate name and chief seat of business.

Company may surrender its Act of incorporation and accept a charter.

14. The Company with which such agreement as aforesaid is made, may, with the consent of the Governor in Council, surrender its Act or Acts of incorporation, and accept instead thereof a charter to be granted by the Governor embodying the agreement, so much of this Act, and such of the provisions of its Act or Acts of incorporation and of the Railway Act, modified as mentioned in the next following section, as may be agreed upon by the Government and the company, and such charter being published in the *Canada Gazette*, with any Order or Orders in Council relating to it, shall, in so far as it is not inconsistent with this Act, have force and effect as if it were an Act of the Parliament of Canada.

If there be no incorporated company, Governor may grant a charter.

15. If there be no company, either incorporated originally for the construction of the whole line of railway or formed out of two or more companies as aforesaid for that purpose, or if the Government cannot or does not deem it advisable to agree with any such company for the construction and working of the whole line of railway under this Act, or is of opinion that it will be more advantageous for the Dominion and will better ensure the attainment of the purposes of this Act, that a company should be incorporated by charter as hereinafter provided,—then, if there be persons able and willing to form such company, and having a subscribed capital of at least ten million dollars, secured to the satisfaction of the Governor in Council, and ready to enter into such agreement,—the Governor may grant to such persons and those who shall be associated with them in the undertaking, a charter embodying the agreement made with such persons, (which shall be binding on the company) and so much of this Act and of the Railway Act (as the said Act is modified by any Act of the

Conditions on which to be granted.

present session, with reference to any railway to be constructed under such Act, on any of the lines, or between any of the points mentioned in this Act) as may be agreed upon by the Government and the company; and such charter being published in the *Canada Gazette* with any Order or Orders in Council relating to it, shall, in so far as it is not inconsistent with this Act, have force and effect as if it were an Act of the Parliament of Canada: Provided that one of the conditions of the agreement and of the charter shall be, that at least ten per cent. of the capital shall be paid into the hands of the Receiver General, in money or Government securities, within one month after the date of the charter, and shall remain in his hands until otherwise ordered by Parliament.

Publication of
charter and
its effect.

Proviso.

16. The Government of Canada may further agree with the company with whom they shall have agreed for the construction and working of the said railway, for the construction and working of a branch line of railway, from some point on the railway first hereinbefore mentioned, to some point on Lake Superior in British territory, and for the construction and working of another branch line of railway from some point on the railway first mentioned, in the Province of Manitoba, to some point on the line between that Province and the United States of America,—the said points to be determined by the Governor in Council: and such branch lines of railway shall, when so agreed for, be held to form part of the railway first hereinbefore mentioned, and portions of "The Canadian Pacific Railway:" and in consideration of the construction and working of such branches a land grant in aid thereof may be made to the company to such extent as shall be agreed upon by the Government and the company: Provided that such land grant shall not exceed twenty thousand acres per mile of the branch line in Manitoba,—nor twenty-five thousand acres per mile of the branch line to Lake Superior.

Agreement
for construction
of
branches.

To form part
of the railway.

Land grant in
such case.

17. The Governor may from time to time appoint such officers or persons as he may see fit, to superintend the construction of the said railway, and the works connected with it, for the purpose of ensuring the faithful performance of the agreement between the Government and the company constructing them, and the observance of all the provisions of the charter of such company.

Officers to
superintend
construction of
railway.

18. The company shall from time to time furnish such reports of the progress of the work, and with such details as the Government may require.

Reports by
the company.

19. The expression "the Government," or "the Government of Canada" in this Act, means the Governor in Council; and anything authorized to be done under this Act by the Governor, may be done by him under an Order in Council; and any agreement made by the Government with any railway company, may be made with a majority of the directors *de facto* of such company, and being certified as so made, by the signature of the President *de facto* of the company, shall be held to be made by the company and have effect accordingly.

Interpretation

Agreements
with the
Government.

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